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FM AMEMBASSY VIENNA
TO RUEHC/SECSTATE WASHDC PRIORITY 9546
INFO RUEHRL/AMEMBASSY BERLIN PRIORITY 1770
RUEHIL/AMEMBASSY ISLAMABAD PRIORITY 0452

S E C R E T VIENNA 000269

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DEPARTMENT FOR ISN/MTR AND EUR/AGS

E.O. 12958: DECL: 02/26/2018

TAGS: PARM MTCRE PREL

SUBJECT: AUSTRIAN RESPONSE: EFFORT BY AUSTRIAN FIRM TO SELL

GERMAN-ORIGIN MACHINE TOOLS TO PAKISTAN (S)

REF: A) STATE 16682 B) VIENNA 20 (NOTAL) C) STATE 716

Classified By: Economic-Political Counselor Dean Yap for reasons 1.4 (b), (c), and (d)

- 11. (S) EconUnit Chief delivered ref A points on February 25 to Helmut Krehlik, Head of the Ministry of Economics' (MoE) Import and Export Control Division. Krehlik said that following up on ref C information, Austria's domestic intelligence agency (BVT) had launched an investigation into efforts by Pakistan's Intertrade Distributors to procure German-origin computer numerically controlled (CNC) machine tools through the Austrian company DMG Europe Holding.
- 12. (S) Krehlik confirmed ref A information that DMG Europe Holding appeared to be procuring the CNC machine tools from the German firm Deckel Maho Gildemeister. German authorities, according to Krehlik, have denied an export application from DMG Europe Holding, based on ref C information. The Austrian MoE has not received any export application from DMG Europe Holding. At the moment, Krehlik said that Austrian and German authorities were investigating to ascertain with whom Intertrade had signed the delivery contract (DMG Europe Holding or Deckel Maho Gildemeister), as the export application should have been made in the country in which the contracting company resided. Kilner